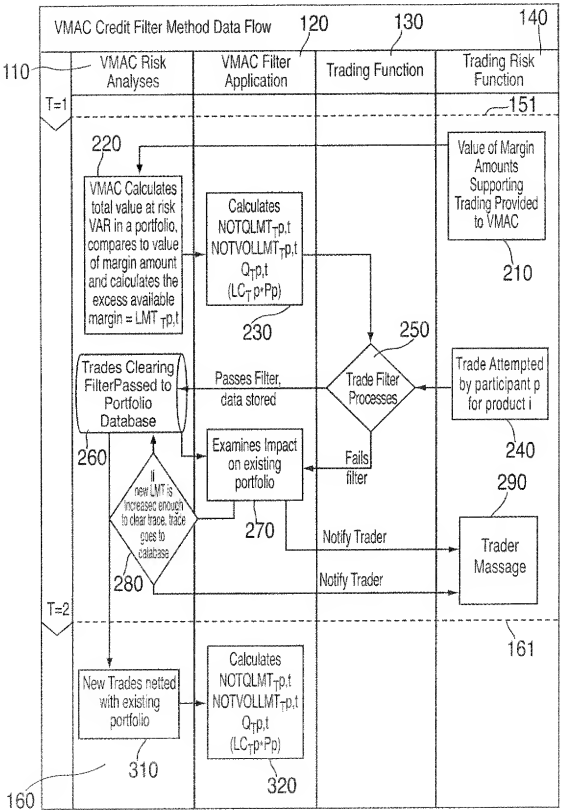
VMAC Credit Filter Method Data Flow
120
130
140
110
VMAC Risk Analyses
VMAC Filter Application
Trading Function
Trading Risk Function
T=1
151
220
VMAC Calculates total value at risk VAR in a portfolio, compares to value of margin amount and calculates the excess available margin = LMT Tp,t
Calculates NOTQLMTTp,t NOTVOLLMTTp,t QTp,t (LCTp*Pp)
230
Value of Margin Amounts Supporting Trading Provided to VMAC
210
250
Trades Clearing FilterPassed to Portfolio Database
Passes Filter, data stored
Trade Filter Processes
Trade Attempted by participant p for product i
240
260
Examines Impact on existing portfolio
Fails filter
290
If new LMT is increased enough to clear trade, trade goes to database
270
Notify Trader
Trader Massage
280
Notify Trader
T=2
161
New Trades netted with existing portfolio
Calculates NOTQLMTTp,t NOTVOLLMTTp,t QTp,t (LCTp*Pp)
310
320
160

FIG. 1